

*Washington, DC* - U.S. Senator Charles E. Schumer and Congressman Maurice Hinchey (D-NY) today announced that the Taylor Biomass Energy project in Orange County, New York, and the more than 400 permanent and construction jobs associated with it, has been saved from Republican budget cuts. An initial budget proposal made by House Republicans would have gutted a Department of Energy program that supports renewable energy initiatives, eliminating \$100 million in essential loan guarantees slated for the project. Hinchey and Schumer voiced their concerns to White House and Congressional negotiators and were successful in sparing the job creating program from the proposed cuts.

"Taylor Biomass is exactly the type of new energy, job-creating project that deserves support as we grow our economy and stretch the middle-class paycheck," said Senator Schumer. "I pushed hard for these critical loan guarantees which will help Taylor Biomass create new Hudson Valley jobs, and am thrilled that Taylor will now be a step closer towards becoming an economic engine for Orange County."

"This project and the more than 400 jobs associated with it are critical to economic growth in the region, and I'm very pleased to report that the misguided attempt to eliminate these essential loan guarantees has failed," said Hinchey, who voted against H.R. 1. "We've heard time and again about the need to reduce the deficit, but cutting funding for the projects that create jobs and help build our new clean energy economy is a counterproductive and shortsighted way to try to do it. While there are still a whole host of problems with the final spending bill being put forward, it's great news that we were able to prevent this cut and the loss of more than 400 jobs in Orange County."

Taylor Biomass has invested millions in private start-up costs and worked for several years with Schumer and Hinchey for approval of key loan guarantees. As a result of the effort, the company is in the final stage of the approval process for \$100 million in loan guarantees. The revocation of Taylor's loan guarantee would only have saved \$1 million in the immediate term based on estimates by the Congressional Budget Office, but would have cost a great deal more in jobs and economic development losses were the project not to move forward.

Over the past two years, Schumer and Hinchey worked with officials at Taylor Biomass to urge the U.S. Department of Energy to award the project a \$100 million loan guarantee to make the innovative clean energy initiative possible. In August 2010, Taylor Biomass received notification that the project would receive the key loan guarantee pending a due diligence review, after both Schumer and Hinchey personally lobbied officials at the U.S. Department of Energy. In addition

to the loan guarantee, the Taylor Biomass Project will also benefit from a 30 percent federal grant for clean energy projects. Both the loan guarantee and grant program were made possible by the American Recovery and Reinvestment Act of 2009, which Hinchey and Schumer supported.

The initial House Republican budget proposed earlier this year would have gutted the Department of Energy's clean energy loan guarantee program. The proposed cuts were ultimately rejected by key lawmakers and White House negotiators after Hinchey and Schumer called attention to the tremendously negative impact it would have on this major economic development project in Orange County.

Taylor's proposed biomass gasification facility enjoys strong support from the community, including from Orange County, which has committed to direct its solid waste to the facility. In addition to creating local jobs, the plant would also help to increase local public revenues and lower the tax burden for residents in the Town of Montgomery and Orange County while providing significant positive direct and indirect economic impacts.

Taylor Biomass Energy has previously received funding for its project through the New York State Energy Research and Development Authority (NYSERDA) and has worked diligently with local and state agencies to move this important initiative forward. Taylor's current operation, in which the company recycles a large percentage of the construction and demolition debris it accepts, demonstrates the company's innovative approach to waste management and its longtime commitment to environmental sustainability.

Loan guarantees are an innovative approach that the federal government can use to support job growth in local communities while minimizing the use of taxpayer dollars. Under government loan guarantee programs, companies like Taylor Biomass go through an intensive vetting process during which the viability of the company's business plan is judged against factors like community interest and initial private investment. By guaranteeing the loan, the federal government spurs entrepreneurs to invest in the project because they know that their investment is safer and more secure.